

# Rural Energy for America Program Renewable Energy & Energy Efficiency Grants

The Rural Energy for America Program (REAP) Grant offers financial assistance to agricultural producers and small businesses in rural areas for the purchase and installation of renewable energy systems and energy efficient improvement projects. Grants can be made for 25% of the eligible project cost.

## APPLICANT ELIGIBILITY

- ➤ The applicant must be an agricultural producer or rural small business.
- Current on all Federal debts/ No Federal judgments or liens.

## **PROJECT ELIGIBILITY**

- ➤ The project must be for the purchase of a renewable energy system or to make energy efficiency improvements.
- The project must be for a pre-commercial or commercially available, and replicable technology.
- The project must have technical merit.
- The project must be located in a rural area, which is defined as any area other than a city or town that has a population of greater than 50,000 inhabitants and the urbanized area contiguous and adjacent to such a city or town according to the latest decennial census of the United States. Agricultural production projects can be located in non-rural areas of a State of the United States.
- The applicant must be the owner of the project and control the revenues and expenses of the project, including operation and maintenance. A third-party under contract to the owner may be used to control revenues and expenses and manage the operation and/or maintenance of the project.
- Satisfactory sources of revenue in an amount sufficient to provide for the operation, management, maintenance, and debt service of the project must be available for the life of the project.

#### **GRANT FUNDING**

- The amount of grant funds that will be made available to an eligible project will not exceed 25 percent of total eligible project costs.
- ➤ The applicant is responsible for and must secure the remainder of the total eligible project costs not covered by grant funds. Other direct Federal grant funds and applicant in-kind contributions cannot be used to meet the matching fund requirement.
- Applications for renewable energy system grants will be accepted for a minimum grant request of \$2,500 up to a maximum of \$500,000.
- Applications for energy efficiency improvement grants will be accepted for a minimum grant request of \$1,500 up to a maximum of \$250,000.

#### **ELIGIBLE PROJECT COSTS**

Costs must be an integral and necessary part of the renewable energy system or energy efficiency improvement. Eligible costs include the following:

- ➤ Post-application purchase and installation of equipment (new, refurbished, or remanufactured), except agricultural tillage equipment, used equipment, and vehicles.
- Post-application construction, improvements, or retrofitting; except residential.
- Energy audits or assessments.
- Permit and license fees.
- Professional service fees, except for application preparation.
- Feasibility studies and Technical Reports.
- Business plans.
- Retrofitting.

#### **APPLICATIONS**

Grant applications are selected for funding based on a competitive process. In determining the amount of a grant awarded, the Agency will take into consideration the following criteria:

- The type of renewable energy system to be purchased
- The estimated quantity of energy to be generated by the renewable energy system
- > The expected environmental benefits of the renewable energy system
- The amount of energy savings expected to be derived from the activity, as demonstrated by an energy audit
- > The estimated length of time it would take for the energy savings generated by the activity to equal the cost of the activity

## FOR MORE INFORMATION / HOW TO APPLY

Contact the USDA Rural Development Business Program Specialist according to the project location:

North Missouri:	Steve Gerrish (Moberly, MO)	660-263-7400, Ext.4	steve.gerrish@mo.usda.gov
Southwest Missouri:	James Combs (Springfield, MO)	417-831-5246, Ext.4	james.combs@mo.usda.gov
Southeast Missouri:	Ray Mowery (Houston, MO)	417-967-2028, Ext.4	ray.mowery@mo.usda.gov
Missouri State Office:	Business Programs (Columbia, MO)	573-876-9321	matt.moore@mo.usda.gov nathan.tutt@mo.usda.gov freda.ferguson@mo.usda.gov

Program information and applications are also available at our website: http://www.rurdev.usda.gov/MO-REAP.html